(b) if so, what are the details thereof?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) A copy of the Press Release issued on the 15th July, 1986 is attached. (*See* below).

PRESS RELEASE

(COPY)

No. S. 11(16)-CCI(II)|86

Government of India

MINISTRY OF FINANCE

Office of the Controller of Capital Issues

SUBJECT : *Issue of "Tax Free" Bonds by Public Sector Enterprises*

Government had issued guidelines regarding floatation of bonds by public sector undertakings in the Telecommunications and Power Sectors in the last financial year. In the Budget Speech this year, the Finance Minister had announced that Government will introduce another series of public sector bonds with a tax free return.

2. In pursuance of this, it has been decided to allow Government, corporate bodies, as may be permitted by the Government, to issue bonds for setting up of new projects, expansion or diversification of existing projects, capital expenditure for modernisation or for augmenting the resources of the company for working capital requirements, subject to Government's clearance. This series will be in addition to the earlier series of Power and Telecom Bonds.

3. In the new series the interest rate shall be upto a maximum of 10 per cent. The period of redemption will normally be upto 10 years, which could be increased in suitable cases. However, the interest rate and period of redemption shall be approved by the Government on a case-by-case basis. The income from these bonds shall be completely free from income tax. The bonds will be exempt from Wealth Tax without any limit. They will be transferable by endorsement and delivery. Decision on quantum etc. will be taken by the Ministry of Finance on a case-by-case basis.

New Delhi, the 15th July, 1986.

Borrowing by the Corporate Sector

*279. SHRI CHIMANBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) what are the details of borrowings during the last three years from public sector financial institutions and banks by the Corporate Sector and what are the details about the companies which have borrowed more than Rs. 25 crores during the last three years for capital expenditure; and

(b) what are the details about those companies falling under 'monopoly' definition who have borrowed nothing from financial institutions and banks during the last three years for capital expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) The details of project finance assistance sanctioned by the financial institutions during the last three years to the corporate

sector (including ijoint sector) are given below:

(Rs. in crores)

Years	Industrial Development Bank of India (IDBI)	Industrial Credit & Investment Corporation of India (ICICI)*	Industrial Finance Corporation of India (IFCI)	Industrial Reconstruction Bank of India (IRBI)*
1983-84	596 00	392·24	29·600	13·72
1984-84	1310·00	462 16	396 00	15·04
1985-86 (Provisional)	1200·00	557·71	456 00	67·66

*Figures of ICICI's assistance are on calender year basis.

**Information relating to IRBI pertains to disbursements.

The number of companies for whom project finance assistance of more than Rs. 25 crores was sanctioned for capital expenditure by the financial institutions (IDBI, IFCI, ICICI, Life Insurance Corporation, General Insurance Corporation, Unit Trust of India, IRBI) was 12, 13 and 14 during 1983-84, 1984-85 and 1985-86 (Provisional) respectively.

(b) It has been reported by the financial institutions that as per the list of undertakings registered under section 26 of the MRTP Act, as at the end of December, 1982, there were 979 companies registered under the MRTP Act which were not sanctioned assistance by financial institutions during the last three years.

Goods seized by the Customs Authorities in Bombay

*280. SHRI MAHENDRA PRASAD:
SHRI MURLIDHAR CHANDRAKANT BHANDARE:

Will the Minister of FINANCE be pleased to state:

(a) whether any comprehensive steps have been taken to streamline the Customs operations in Bombay to effectively prevent smuggling along the coast and through air services;

(b) if so, what are the details of the steps taken in this regard; and

(c) what is the estimated cost of the goods seized by the customs authorities during their search operations in Bombay in the years 1984, 1985 and 1986?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The entire West Coast of the country, particularly the Bombay region including the Sahar Airport, continues to be vulnerable to smuggling activities. The preventive and intelligence machinery of the Customs Department in the region have been re-inforced in terms of manpower and equipment. The entire West Coast region has been declared as areat highly vulnerable to smuggling for the purpose of detention of persons under the COFEPOSA Act, for the maximum period of two years. Special Air Intelligence Unit has been set up at Bombay Airport to keep close surveillance on the clearance of passengers, baggage and air cargo. X-ray baggage machines have been installed at the Sahar airport to increase the efficieency of scanning of suspected baggages. Special Narcotics Cell has been created to check trafficking in narcotic drugs.